BRITISH COLUMBIA
The Best Place on Earth

BCStats

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Exports ◆ March 2010

- British Columbia origin exports edged up 0.6% in the first quarter of 2010 compared to the same period a year earlier. Continued strong growth in goods exports to Mainland China (+22.6%) and Hong Kong (+5.8%) helped offset a 2.4% drop in shipments to the United States. Exports to India soared to almost ten times the value recorded in the first quarter of 2009 (+828.7%), while there was also strong growth in shipments to Australia (+24.8%), Mexico (+22.3%) and the United Kingdom (+11.5%).

- Coal has been the top BC export year-to-date, despite the fact that coal shipments are down 17.1% from 2009. However, the decline is entirely due to a drop in price as volumes shipped have actually increased 53.2%. The decline in the value of coal exports pushed overall energy exports down 3.3%, despite the fact that electricity exports more than doubled (+125.5%) and there was also growth in shipments of natural gas (+6.9%) and other energy products (+26.5%).

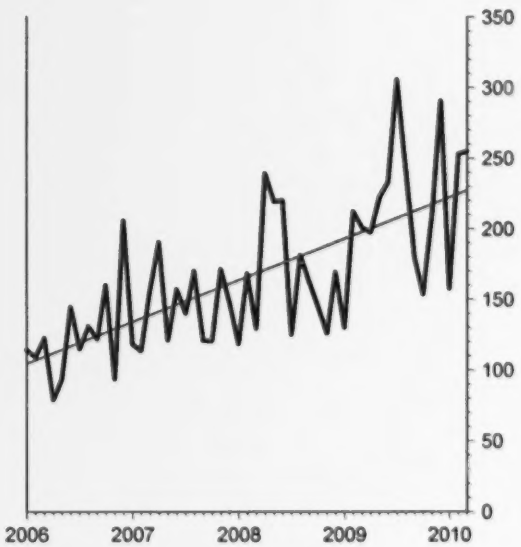
- Shipments of softwood lumber jumped 21.8% in the first quarter, helping drive overall exports of solid wood products up 15.8%. This was despite slumping shipments of cedar shakes and shingles (-20.6%), softwood plywood and veneer (-24.9%) and other panel products (-1.5%), and selected value added wood products (-9.8%). Exports of logs (+51.0%) and miscellaneous other solid wood products (+22.1%) experienced strong growth in the first quarter.

- Elsewhere in the forest sector, exports of pulp and paper products inched up 0.1% as a 24.9% jump in pulp shipments offset declines in paper products.

- Shipments of metallic mineral products climbed 30.4% as exports of copper (+49.9%) and molybdenum ores and concentrates (+7.4%), unwrought zinc (+81.3%) and other metallic mineral products (+27.2%) saw strong growth. Unwrought aluminum exports bucked the trend, dropping 19.4%.

- International shipments of machinery and equipment fell 9.9%, exports of chemicals and chemical products slumped 8.5% and shipments of agriculture and food (-9.4%) and fish products (-3.6%) also dropped.

BC's exports to Mainland China continue to trend up



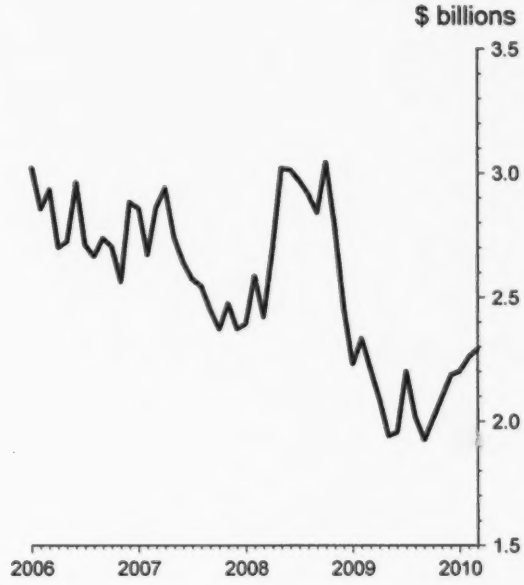
SEASONALLY ADJUSTED EXPORTS

Seasonal adjustment supplies a means of making month-to-month comparisons by removing the regular periodic seasonal fluctuations that occur. Variations from normal seasonal patterns are revealed in the seasonally adjusted data series.

- BC's exports edged up 1.5% in March, marking the sixth straight month shipments have increased. Most of the growth was due to a 5.8% rise in exports of industrial and consumer goods. Exports of machinery, equipment and automobiles (+2.9%) also climbed.

- Exports to the US climbed 2.7%, while shipments to the rest of the world were relatively flat (+0.2%). A 27.8% jump in exports of industrial and consumer goods was the main driver of the increase in shipments to the US, more than offsetting an 11.2% drop in exports of energy products.

Exports (adjusted for seasonality) continued to rise in March



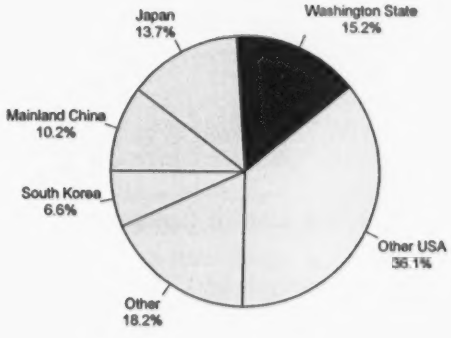
BC Exports, Seasonally Adjusted ($Millions)

Month	Agriculture & Fish	Energy	Forest Products	Machinery& Equip, Auto	Industrial, Consumer	Total	Exports to USA
Mar 2008	177	587	784	325	548	2,421	1,483
Apr	193	739	826	320	619	2,697	1,528
May	187	848	858	322	804	3,019	1,423
Jun	185	997	793	330	710	3,014	1,541
Jul	181	1,064	808	324	594	2,972	1,624
Aug	201	857	761	345	755	2,918	1,429
Sep	209	874	806	330	622	2,841	1,398
Oct	221	1,008	840	349	626	3,043	1,572
Nov	210	909	742	343	585	2,789	1,433
Dec	206	777	692	322	464	2,461	1,300
Jan 2009	211	608	637	302	473	2,231	1,232
Feb	209	729	617	287	491	2,334	1,213
Mar	200	604	596	272	535	2,207	1,098
Apr	197	574	611	268	437	2,087	1,055
May	192	491	572	272	415	1,942	1,057
Jun	194	508	565	256	433	1,956	1,008
Jul	205	680	586	271	459	2,200	1,041
Aug	178	530	578	250	480	2,015	1,003
Sep	171	495	576	228	455	1,926	1,000
Oct	185	479	582	246	520	2,012	1,037
Nov	177	536	598	248	539	2,098	1,079
Dec	177	594	611	261	544	2,186	1,091
Jan 2010	176	623	639	258	508	2,202	1,122
Feb	190	615	670	245	537	2,257	1,131
Mar	188	612	670	252	568	2,290	1,161

Energy Fuels BC's Trade with Washington State

Given British Columbia's proximity to Washington State, it is no surprise that they are significant trade partners. Washington ranks only behind the rest of the United States as a destination for BC origin exports with over 15% of BC's commodity exports shipped to that state in 2009. By comparison, Japan received just under 14% of BC's goods exports and Mainland China was the destination for about 10% of BC's international commodity shipments.

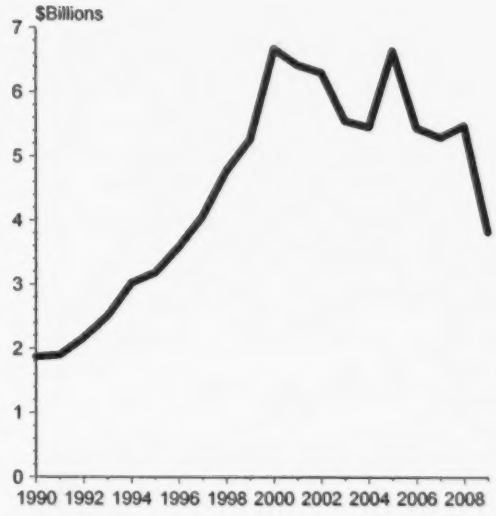
Washington State ranks second as a destination for BC origin exports behind only the rest of the United States



Source: Statistics Canada

Similar to BC's exports overall, shipments from BC to Washington State dropped substantially in 2009. The value of BC's exports to the state fell by 30% to their lowest level since 1996. The slump was spread across most commodity categories, but shipments of natural gas were responsible for the largest portion of the drop, falling by over $1.1 billion (-48%).

BC exports to Washington State slumped in 2009



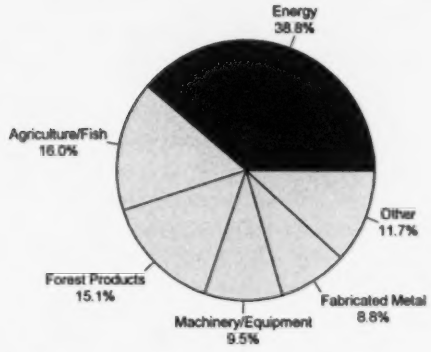
Source: Statistics Canada

Despite the large decline, natural gas was still the top export from British Columbia to Washington State in 2009, with approximately $1.2 billion worth of gas exported from BC to Washington. Although small by comparison, electricity was the second largest export from BC to Washington, at $127 million. Overall, $1.5 billion worth of energy products were shipped from BC to the Evergreen State in 2009, accounting for 39% of BC's exports to that state. Energy products were also the goods most often imported from Washington into Canada through British Columbia customs ports.[1] In

[1] Note that this does not mean that these goods were consumed in British Columbia. They may have been further shipped to other provinces or territories. Similarly, goods cleared through other provinces may have ultimately been consumed in BC.

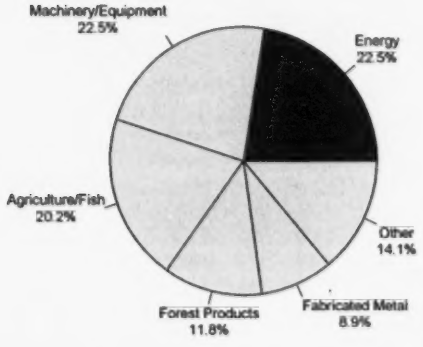
2009, almost $863 million worth of energy products from Washington were imported into Canada through BC ports, or 23% of BC-cleared imports from that state. The largest portion of this was aviation fuel ($477 million).

Energy products were the top goods exported from BC to Washington State in 2009



Source: Statistics Canada

Energy products were also the top goods imported into Canada from Washington State through BC customs ports



Source: Statistics Canada

Iron and steel products were another significant export from BC to Washington. Almost $295 million worth of these goods was shipped to Washington in 2009. Overall, fabricated metal products accounted for almost 9% of BC's exports to Washington.

Forest products represented almost 15% of BC's shipments to Washington. Softwood lumber was the largest component of this, at almost $164 million. Approximately $263 million worth of other solid wood products (plywood, veneer, oriented strand board, cedar shakes and shingles, logs, etc.) and $150 million of pulp and paper products comprised the other forest products.

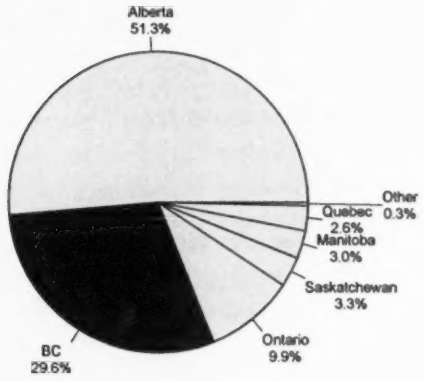
Agricultural and fish products were another large component of BC's exports to Washington, together making up about 16% of BC's exports to that state, or $614 million. Fruits and vegetables comprised around 29% of that figure and seafood was almost 20%.

Resource goods also made up a large portion of the goods from Washington imported into Canada via BC ports; however, there was significantly more machinery and equipment imported compared to exports to Washington. In fact, machinery and equipment imports almost equalled the value of energy products shipped into Canada through BC. There was $862 million worth of machinery and equipment imported from Washington through BC in 2009, of which about $246 million was aircraft and parts. Agriculture and fish products (20%) and forest products (12%) were other significant imports.

Despite the fact that BC is neighbour to Washington State, the province ranked only second behind Alberta as a source of exports to the state. In fact, over half (51%) of Canada's exports to Washington originated in Alberta, compared to only 30% from BC. Once again, energy products were the main goods shipped to Washington. Altogether, energy products

comprised 88% of the goods shipped from Alberta to Washington, totalling $5.9 billion. Of this amount, over $3 billion was made up of natural gas exports and just under $2.6 billion consisted of crude petroleum shipments.

BC ranked second in Canada as a source of exports to Washington State



Source: Statistics Canada

The only other significant export from Alberta to Washington in terms of volumes shipped was live cattle, which made up about 5% of the province's exports to the state, or $335 million.

Energy was not always as large a component of trade with Washington State. Ten years ago, BC was the top province in terms of share of Canada's exports to Washington with 47% of Canada's goods exports to that state originating in BC and 36% originating in Alberta. Energy was still the largest component of BC and Alberta's shipments to Washington, but it made up a much smaller share (e.g., 31% of BC's exports to Washington in 1999 compared to 39% in 2009 and 47% in 2008). By comparison, forest products made up 28% of BC's commodity shipments to Washington in 1999 compared to 15% a decade later.

It is possible that there will be further changes to the types of goods traded to and from Washington State in the years to come, but regardless, it is likely that the state will continue to be an important trade partner for BC given its proximity.

The importance of Washington as a trade partner has been underlined by the cross-border initiatives the governments of the two regions have developed together. This includes working toward better transportation of both people and freight between BC and Washington, including efforts to develop high-speed rail service and harbour-to-harbour air service between Vancouver and Seattle. Work has also been done on opening up access to government procurement and exploring reciprocal credential recognition for regulated trades or professions. All these initiatives will help break down the barriers set up by the international border that sometimes prove an impediment to trade, possibly opening the way for higher volumes of trade in the future.

Recent Feature Articles in Exports Release
Listed by Statistical Reference Date of Issue

10-03 *Energy Fuels BC's Trade with Washington State* *(released May 2010)*

10-02 *Economic Downturn Kept the Lid on Container Traffic in 2009* *(released April 2010)*

10-01 *Stormy Weather: BC Exports in 2009's Economy* *(released March 2010)*

09-12 *Provincial Export Comparison* *(released February 2010)*

09-11 *BC's Exports to Oceania Watered Down in 2009* *(released January 2010)*

09-10 *High Dollar Spurs Capital Investment* *(released December 2009)*

09-09 *BC's Pulp and Paper Exporters Facing Challenges* *(released November 2009)*

09-08 *China Continues to Buy BC Goods* *(released October 2009)*

09-07 *Energy Exports are Powering Down...For Now* *(released September 2009)*

09-06 *Adding Some Heat to Trade with India* *(released August 2009)*

09-05 *Trade with the Other Americas* *(released July 2009)*

09-04 *The State of Canada's Trade with the USA* *(released June 2009)*

09-03 *British Columbia's Trade Balance Tipped in Favour of Imports* *(released May 2009)*

09-02 *Fifteen Years of Free Trade with Mexico* *(released April 2009)*

09-01 *Twenty Years of Free Trade with the United States* *(released March 2009)*

08-12 *Canada Seeks Trade Deal with the European Union* *(released February 2009)*

08-11 *Adversity Leads to Diversity* *(released January 2009)*

08-10 *Import Content of BC's Exports* *(released December 2008)*

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08-08 *Milking the System: Is Canada's Supply Management System an Impediment to Free Trade?* *(released October 2008)*

08-07 *Charting BC's Exports* *(released September 2008)*

08-06 *Bad News for Newsprint Exports* *(released August 2008)*

08-05 *Asia Offers Potential as a Destination for BC Exports* *(released July 2008)*

08-04 *The Price is Right for Coal Producers in BC* *(released June 2008)*

08-03 *Border Line Threats to Trade* *(released May 2008)*

08-02 *Call of the Loonie: American Film and Television Productions Shun BC in 2007* *(released April 2008)*

08-01 *BC Commodity Exports: Year in Review 2007* *(released March 2008)*

07-12 *Canada and Peru Agree on Free Trade* *(released February 2008)*

NOTES

Countries Included Within World Regions:

(1) Western Europe: United Kingdom, Ireland, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland.

(2) Eastern Europe: other Europe, including all of Russia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, etc.

(3) South East Asia: Malaysia, Brunei Darussalam, Singapore, Myanmar, Kampuchea, Laos, Indonesia, Philippines, Thailand, Vietnam.

(4) Africa: continental Africa, excluding Ethiopia, Libya, Somalia, Sudan, Egypt.

(5) South America: continental South America from Colombia and Venezuela south to Chile and Argentina, including offshore islands, but not Caribbean.

(6) Central America and Caribbean: from Guatemala and Belize to Panama, plus Caribbean Islands.

(7) Pacific Rim (including Japan): Japan, Hong Kong, Malaysia, Brunei Darussalam, Singapore, Laos, Mongolia, China, Indonesia, North Korea, South Korea, Philippines, Macau, Taiwan, Thailand, Vietnam, Australia, Fiji, New Zealand.

(8) Pacific Rim: as above, but excluding Japan.

(9) Middle East: from Turkey and Iran south through the Arabian Peninsula. Excluding Afghanistan and Pakistan, but including Cyprus, Ethiopia, Egypt, Somalia, Sudan and Libya.

The **European Union** is the membership as of January 1, 2007: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

'Selected Value-added Wood Products' category includes prefabricated houses, doors, windows, furniture, moulding, siding, etc. It does not include panel products, shakes, shingles or any pulp and paper products.

Revisions

Statistics Canada revises trade data for the previous three data years with release of the December data. The revision number is indicated in the footer of the tables (e.g., Rev 1 is the first annual revision, etc., and Prelim indicates it is the first release of data to December for that year). In addition to annual revisions, Statistics Canada revises the data for the previous data year every quarter (indicated in the footer by Rev Q1, etc) as well as with the release of the January and February data.

Service Offered for Detailed Trade Statistics

For BC government statistics users requiring more detailed information on exports or imports, a special report service is offered through the address below:

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This service is provided through the Trade Research and Inquiry Package (TRIP) computer reporting system. TRIP offers user-defined tabulations of export or import statistics for BC, Canada, the United States and other countries. Tabulations can include information on commodities, countries, US states, years, months, mode of transport, etc.